

**Intergovernmental Water Board
Meeting Minutes
July 12, 2006
Tigard Water Building
8777 SW Burnham Street
Tigard, Oregon**

Members Present: Beverly Froude, Bill Scheiderich, Dick Winn and Sydney Sherwood (alternate for Tom Woodruff)

Members Absent: Patrick Carroll and Tom Woodruff

Staff Present: Public Works Director Dennis Koellermeier
IWB Recorder Greer Gaston

1. Call to Order, Roll Call and Introductions

The meeting was called to order at 5:32 p.m.

Note: The Board heard agenda item #3 – before agenda item #2

3. Approval of Minutes – June 14, 2006

Commissioner Froude motioned to approve the June 14, 2006, minutes; Commissioner Winn seconded the motion. The motion was approved by unanimous vote.

2. Public Comments

The following public comments were related to agenda item #5 - Annexation of the Menlor Reservoir Site to the City of Tigard:

Kinton Fowler, 16170 SW Hazeltine Lane, unincorporated Bull Mountain, stated he would like the integrity of the boundaries of the proposed city to remain as they are. He suggested the Board wait until the county hearings and possible November 7 election before taking any action. He added there is no sense of urgency regarding the annexation and asked the Board to table the annexation issue to a later date.

Kevin Bauerle, 13965 SW Florentine Avenue, Tigard, Oregon, unincorporated Bull Mountain, expressed concern about the timing of the proposed annexation.

He stated land was being taken away from the potential new city of Bull Mountain before the city is able to incorporate. Mr. Bauerle encouraged the IWB to wait until the outcome of the new city is known before taking action.

Grethchen Buehner, 13249 SW 136th Place, Tigard, Oregon stated she was a former member of the Tigard Water Board and the IWB. At the time the IGA was created, she pointed out the agreement did not clarify ownership interests among the various participants. This was never addressed. She advised residents of the Cities of Tigard, King City and Durham accounted for about 83 percent of the district. She stated the spirit of the original agreement was for the City of Tigard to serve as the trustee for all property belonging to the old Tigard Water District. She asked that the spirit of the agreement be followed and as such, any property or large assets of the district be taken into the City of Tigard or be protected so they could not be taken over by any other city.

Ken Henschel, 14530 SW 144th Avenue, unincorporated Bull Mountain, discussed the issue of ownership versus governance. Mr. Henschel added county hearings on the incorporation of Bull Mountain were only a couple weeks away and a decision to annex the properties would impact the proposed boundaries of the new city. He asked the Board to take their time and wait for things to develop. He added there was no urgency for the Board to make a decision.

Wynne Wakkila, 15522 SW 141st Avenue, unincorporated area, identified herself as a customer who has put money into the water district, just as customers from Durham and King City have done. She stated she did not see why Tigard has to own all the water district properties.

Tom Fergusson, 14850 SW 141st Avenue, Tigard, Oregon, unincorporated area, noted properties are shared among various entities. He stated the district's assets are intertwined and there were multiple assets located in other cities. He added it would be possible for other cities to remove assets too, but this was not plausible because the district needed to operate as a group. Mr. Fergusson said he didn't understand why this was an issue.

Helen Honse, 14640 SW 141st Avenue, Bull Mountain, Oregon, asked if the annexation was actually a water issue. She questioned whether the Board should be concerned with the governance of the property.

4. *Discussion of Board Testimony/Comments for the County Hearing on the Formation of the City of Bull Mountain*

Dennis Koellermeier asked the Commissioners if they wished to take a position and/or provide any testimony at the county public hearing regarding the incorporation of Bull Mountain.

Commissioner Scheiderich offered some background information on the annexation issue. At a previous IWB meeting, the Commissioners were asked to go back and discuss the annexation of some water properties with their respective city or district. Each Commissioner was to report back to the IWB regarding their city's/district's position on the matter.

Commissioner Scheiderich explained the question before the Board was whether the entities represented by the IWB, as joint owners of the reservoir, wanted to annex the property into the City of Tigard. He noted the reservoir was:

- located within the Tigard Water District (TWD)
- located outside the City of Tigard
- pledged to the use of everyone in the water service area

Commissioner Scheiderich asked the Commissioners if they wanted an IWB representative to attend the public hearing and relay the Board's position on the incorporation of Bull Mountain.

Commissioner Sherwood advised the City of Tigard did not oppose the incorporation of Bull Mountain. However, she added the Council was concerned about City of Tigard property, namely the Cach Creek Natural Area and reservoir property, which is situated within the proposed boundaries of the new city.

Commissioner Froude stated the TWD had not taken a position on the incorporation and she was not able to vote on the matter.

Commissioner Winn reported that he had not consulted with King City. He added he had nothing to say about Bull Mountain's attempt to become a city and explained he wanted to focus on water.

Commissioner Scheiderich confirmed the IWB did not want to take a position on the incorporation of Bull Mountain.

5. Annexation of the Menlor Reservoir Site into the City of Tigard

Mr. Koellermeier provided background on the relationship of the reservoir property and other adjoining properties as follows:

Cach Properties - The City of Tigard had entered into property negotiations for reservoir site #1 over two years ago. For technical reasons, this reservoir has to be located at the 550-foot elevation on Bull Mountain. The property purchase is now concluding; the Tigard City Council has authorized the purchase and the transaction will be completed on Friday. This reservoir property, which will be owned by the City of Tigard, falls within the boundaries of the proposed new

city. This property also creates a bridge from the Tigard city limits to the Cach Creek Natural Area.

Cach Creek Natural Area - This property is owned by Tigard, with the Metro green spaces bond measure funding a portion of the property purchase.

Trust for Public Land Property - Tigard has contacted the Trust for Public Land regarding their property and this group is amenable to a property sale and annexation by the City of Tigard.

Menlor Reservoir Property - The Tigard Water District (TWD) owned the underlying real estate. According to the agreement that formed the IWB in the early 1990s, future improvements were to be constructed in the joint interest of IWB. Additionally, the water system was to be managed by the IWB and was pledged to the City of Tigard for operational purposes.

Clute Property - This property was bought outright by the City of Tigard to provide access to the Menlor Reservoir. The property has been partitioned, with excess land declared surplus. The surplus land has now been identified as a potential neighborhood park site. The property is currently owned as a water asset and, assuming the property were annexed, the Tigard City Council has expressed an interest in converting it to a park; the City's park fund would reimburse the water fund for the surplus property.

With the purchase of the Cach properties, subsequent access to the Cach Creek Natural Area, and a willingness to sell and annex the Trust for Public Land property, the Tigard City Council has elected to annex these parcels. The Council is asking the IWB to request annexation of the Clute and Menlor properties located in the same area.

Commissioner Scheiderich confirmed the IWB was only considering the annexation of water-related properties.

Mr. Koellermeier explained the rationale behind the proposed annexation:

- Annexing the Cach property gives the City access to its park land and the Trust for Public Land parcel.
- It doesn't make sense for a Tigard asset, such as a park, to be located in another city.
- Should the new city form, it could decide to take over the assets of the TWD. It is unclear what impact this may have on the operation of the water system and the other members of the IWB.
- Annexation would preserve the status quo by placing these properties within the City of Tigard.

The Tigard City Council has proposed a change in the boundaries of the proposed new city, with the Clute, Cach, Trust for Public Land and Menlor properties annexed to Tigard and excluded from the new city.

In response to a question from the audience, Commissioner Scheiderich explained the IWB is advisory to the City of Tigard, who serves as the water provider. In the agreement, if IWB members own a water system asset, that asset is pledged to the City of Tigard and the City is charged with managing those assets for the group.

Commissioner Scheiderich pointed out any city or district can remove property from the IWB group, adding it would be possible for the new city of Bull Mountain to do away with the TWD and take over the assets.

In response to another question from the audience, Mr. Koellermeier explained that according to the agreement, assets are owned by jurisdiction in which they reside, but the use of these assets is pledged back to the City of Tigard for the shared use of the IWB members.

Commissioner Scheiderich stated annexing the property did not mean the property was being removed from the Tigard Water District.

Mr. Koellermeier clarified the IWB needed to make a decision as to whether they wanted to request that the Clute, Cach (4 tax lots) and Menlor (2 tax lots) properties be annexed to the City of Tigard.

In response to a question from the audience, the Commissioners explained they were considering annexation; the ownership of the properties being discussed would not change.

Commissioner Scheiderich polled the members of the Board regarding the annexation of the Clute, Cach and Menlor properties:

Commissioner Froude TWD	No position
Commissioner Sherwood City of Tigard	Supports annexation
Commissioner Winn City of King City	Had not discussed with his City Council
City of Durham	Commissioner Scheiderich indicated Durham had taken action supporting annexation

George Rhine, Chairperson of the Tigard Water District, addressed the Board and the audience. He relayed that at the June TWD meeting, the District decided not to take a position on the annexation issue. He noted if the TWD

evaluated the issue from a water system standpoint, they probably would have supported the annexation. Mr. Rhine added the TWD had listened to its constituents who spoke at the June meeting and, as a result, the TWD decided not to take a position on the matter.

The IWB agreed to conduct a special meeting on the annexation issue next week.

6. *Informational Items*

Dennis Koellermeier informed the Board:

- the water system was performing well
- supply sources were sufficient to meet demand
- the highest peak day this summer was 10 percent below what had been anticipated; this reduction was credited to conservation
- the Lake Oswego study is progressing and some Commissioners may have been contacted by the consultant

7. *Non-Agenda Items*

Commissioner Winn commented that he had been contacted by the consultant who inquired about citizenry and the public relations.

8. *Next Meeting – Wednesday, August 9, 2006, 5:30 p.m. – Water Auditorium*

Commissioner Scheiderich informed the Board he would not attend the August 9 meeting.

The Board decided to schedule a special meeting on Thursday, July 20, 2006, at 5 p.m. to consider the whether they wanted to request the Clute, Cach and Menlor properties be annexed to the City of Tigard.

9. *Adjournment:* The meeting was adjourned at 6:45 p.m.



Greer A. Gaston, IWB Recorder

Date: August 9, 2006